

Committee(s): Equality Diversity & Inclusion Sub-Committee	Dated 21 st March 2024
Subject: Social Mobility Index Report	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	All Corporate Plan Outcomes are supported by this work
Does this proposal require extra revenue and/or capital spending?	N/A
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
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Summary

The Social Mobility Index (SMI) is an annual benchmarking and assessment tool for employers showing performance on eight areas. The Index enables a systematic look at social mobility outcomes and the drivers behind social mobility.

The City Corporation worked with the Social Mobility Foundation (SMF) to set up the SMI in 2017 and since then has provided an annual submission of activities against the eight areas of the Index.

In 2023, 143 employers from private, public, and voluntary sectors submitted responses to the Index. The City Corporation ranked 87th having been ranked 67th out of 149 organisations in 2022. The SMI report details the rationale for the City Corporation rating and identifies improvements that can be considered ahead of 2024 submission.

The SMI opens for submissions in March with the closing date of 7th of June 2024. Work will continue across the City Corporation in response to the 2023 SMI recommendations and the priority already assigned to Social Mobility more broadly. This includes through the work of different departments and the Social Mobility Staff Network which formally launches later in 2024.

Recommendation(s)

Members are asked to:

Note the report including:

- City Corporation SMI rankings from 2018-2023.
- The 2023 Social Mobility Employer Index report (Appendix 1).
- The SMI suggested areas of focus for the Corporation to explore in response to the 2023 submission (Appendix 2).

Main Report

Background

1. The City Corporation worked with The Social Mobility Foundation to set up the SMI in 2017. The Social Mobility Index (SMI) is an annual benchmarking and assessment tool for employers. The Index shows how employers perform on eight areas of employer-led social mobility. In addition, it sets out a long-term vision for measuring and monitoring social mobility outcomes over the next 30 years.
2. The Social Mobility Index has eight areas of assessment which are as follows:
 - **Work with Young People**- Are employers doing outreach work with young people from lower socioeconomic backgrounds?
 - **Routes into the Employer** - Are there well-structured routes into the organisations?
 - **Attraction**- Do employers recruit graduates from universities outside the Russell Group?
 - **Recruitment and Selection**- Do employers reward potential?
 - **Data Collection**- To what extent do employers collect and analyse data to understand the socioeconomic diversity of their workforce?
 - **Progression, Culture and Experienced Hire**- Is the social mobility of existing employees being measured?
 - **Advocacy**- Do employers engage staff, suppliers, and clients in social mobility efforts?
 - **Employee Survey** (optional) - What do employees think about the health of social mobility inside the organisation?

The Social Mobility Index is comprised of two elements: questions that employers answer using qualitative and quantitative data, and an employee survey, which was introduced in 2018.

3. In 2018, the City Corporation was ranked 66th on the index, and rose to 56th in 2019, 50th in 2020 and 40th in 2021. However, rankings declined to 67th and 87th in 2022 and 2023 respectively.

Current Position

4. The 2023 SMI Report in response to the City Corporation submission flagged three areas for improvement; Routes into the Employer; Recruitment and Selection; Progression, Culture and Experienced Hire. The reporting of socio-economic data was also an area of concern. The City Corporation performed strongest in the categories of Advocacy and Work with Young People. Further detail is provided in the SMI 2023 report in Appendix 1.

5. There are certain actions that the City Corporation has taken or is planning, in respect of social mobility outcomes.
6. In 2018 The City Corporation developed a [Social Mobility Strategy](#) that would be implemented between 2018-2028. This strategy focused on activities that would facilitate better social mobility within the following groups/initiatives:
 - Resident and work populations
 - Businesses in The City
 - Charities
 - Good causes the City Corporation supports through charitable funding.
 - Learners across City of London Schools
 - Other Stakeholder Groups (including government and policy makers).

Due to poor record keeping and loss of corporate memory, we are unable to ascertain the outcomes of the strategy, likely implementation was stalled during Covid19, and delivery hampered by the TOM.

7. Department of Community and Children's Services (DCCS) recently signed up to the London Care Leaver Compact which supports promoting opportunities for Care Leavers across London. As part of this work, DCCS increased access to apprenticeship opportunities for Care Leavers; prioritised their eligibility for Housing; paid for their annual bus passes and supported meeting the costs of their Council Tax. This work supports the City Corporation's commitment to treat Care Leavers as if they were a Protected Characteristic and in doing so, help them to achieve better education, health and wellbeing outcomes and enhance their social mobility opportunities.
8. Social Mobility is a focus in two of the themes of the City Corporation's People's Strategy which will be launched in April 2024. Under theme 1: My Contribution, My Reward – Ambition 25, there is an intention to report on the social mobility pay gap when data is available. Under Theme 5: Building Brilliant Basics, the intention is to improve social mobility headline data (currently 89%) to enable a target to be set in 2024/25.
9. City Surveyor's Department's (CSD) is taking actions to support social mobility. For example:
 - In their commitment to raising awareness of staff and managers' understanding of social mobility, the department's Equality, Diversity, and Inclusion (ED&I) Group recently welcomed a presentation from Social Mobility Staff Diversity Network chair.
 - Under the ED&I Action Plan theme of Advocacy there is an intention to promote the department's fields (surveying, project and programme management, asset management, facilities management etc) to a wider range of prospective professionals. These fields have not traditionally attracted a diverse student body (across multiple

stands of diversity) so breaking down these barriers is important to the department's aim of continuing to attract talent. There has been an active engagement with the London Careers Festival (LCF) to encourage participation from the industry bodies, and engagement from HR has been sought for the greater use of apprenticeships and re-starting work experience opportunities.

- CSD has also started a mentoring programme which aims to improve staff development, organisational and professional understanding. This promotes on-going learning throughout an individual's career. Whilst not necessarily focussed on social mobility, there are significant benefits for staff from lower socio-economic background.

10. In March 2024, the City Corporation Social Mobility Staff Network will be launched. Its purpose is to represent and advocate for colleagues from less-privileged backgrounds to achieve their development goals, collectively share experiences, support one another to make a difference and build a stronger, more inclusive, and socio-economically diverse culture at the City of London Corporation.

Corporate & Strategic Implications

Strategic implications

All Corporate Plan Outcomes are impacted (directly and indirectly) by this work.

Resource implications – N/A

Legal implications – N/A

Risk implications – Potential reputational risk mitigated by the actions in train to address the feedback from the SMI report.

Equalities implications – This proposal will support the City Corporation's commitment to be an organisation where people feel respected, and they belong. Going beyond the protected characteristics as set at the Equality Act 2010, the Corporation is committed to social mobility.

Climate implications – N/A

Security implications – N/A

Conclusion

1. The 2023 Social Mobility Index (SMI) report identifies improvement required in three of the eight areas: Routes into The Employer; Recruitment and Selection, and Progression; Culture and Experienced Hire, and provides guidance on actions the City Corporation might take.
2. The SMI report recommends that the City Corporation should build on the positive work taking place in the areas of Advocacy and Work with Young People and use it as a baseline in progressing in the rest of the SMI areas of focus.

3. Officers are working together on actions and activities to improve our impact and engagement on issues relating to social mobility and social inclusion. Members will be updated as this work progresses e.g. through the People Strategy and other cross-cutting initiatives.

Appendices

Appendix 1 – Submission Feedback- Social Mobility Employer Index 2023

Appendix 2 – Suggested areas of focus that the Corporation can explore.

Appendix 1 – Submission Feedback- Social Mobility Employer Index 2023

Introduction

Overall ranking: 87th

Thank you for making a submission to the Social Mobility Employer Index 2023. We are pleased to outline below your individual feedback report. This highlights where your organisation is performing well with suggested areas for improvement; and offers best practice guidance in each area of the Index.

For further context and advice, please also read the key findings report, which will be published in the autumn.

To ensure that all submissions can be treated with consistency, we have assessed each employer based on the information we have received in this year's submission only. Therefore, we have not compared 2023 submissions directly with any submission from previous years but have recognised where organisations have highlighted improvements on last year or have provided data from previous years where a question requests it.

Please note that, as with previous years, we choose not to publish previous years' rankings alongside the 2023 ranking. Therefore, if your organisation is ranked lower than in a previous Index submission, this will not be evident unless anyone seeks out these previous rankings for comparison.

Please use this feedback, alongside the employer guidance notes, to support your 2024 submission to the Index. The employer guidance notes will be updated and published early next year alongside the Index questionnaire.

We know that new research and updated guidance have become available, particularly the Social Mobility Commission's [data tool](#), we will be updating the Index next year to reflect this. Many resources are referenced in this report to help inspire and guide your work, including the [Employer Toolkit](#) from the Social Mobility Commission and the Bridge Group and the [Employer Guide](#) from the Sutton Trust. We also reference the recent [State of the Nation](#) report from the Social Mobility Commission, including the measures introduced to assess social mobility and the emphasis on early outreach. We also recommend reviewing [this report](#) by Goldman Sachs on social mobility trends in the UK and examples of companies whose businesses are enablers of greater social mobility.

Timeline

2023/2024 Timeline

- October 2023: Announcement of Social Mobility Employer Index Top 75 and 2023 key findings report published
- March 2024: 2024 Employer Index and Employee Survey open
- May/June 2024: Closing date for submissions to the 2024 Employer Index and Employee Survey

Foreword



Index. Your participation is evidence of your commitment to ensuring people

Thank you so much for taking part in this year's Social Mobility Employer

from lower socioeconomic backgrounds get in, get on and belong in your organisation.

Taking action on social mobility is the right thing to do – it's also the smart thing to do. By accessing and progressing talent from all backgrounds, your organisation will benefit from better decision-making, higher productivity and engagement, and more innovative thinking. A focus on social mobility can help with wider EDI goals – and can engage people who have not previously felt part of the conversation.

Your feedback report highlights the good work that your organisation is already doing on social mobility; identifies where you have more to do; and includes practical suggestions, with evidence and examples, to help you improve.

We hope that you will use this feedback to guide and drive further action on social mobility inside your organisation and that you will enter the Index again to measure your progress. We would also encourage you to show your commitment externally and use your influence to mobilise others to act on social mobility – clients, suppliers, partners and competitors.

Thank you again for your commitment to social mobility.

Sarah Atkinson, CEO

Feedback

Decile: 7

Section 2: Work with Young People

Factors that contribute to unequal entry to the workplace, and progression within it, are rooted in access to opportunities during school years. The recent [State of the Nation](#) report from the Social Mobility Commission emphasises the importance of people's early experiences of education and work opportunities – and employers have an important role to play in this.

We have included in this section a [link to a sheet](#) that will support with your targeting to further boost your efforts in this area. The sheet details the latest data on schools in England, Scotland, Wales, and Northern Ireland, including the relevant metrics on the socioeconomic status of pupils to support with targeting. The measures vary by country, as explained in the sheet. Transforming Access and Student Outcomes (TASO) in Higher Education also has effective resources and guidance on evaluating your outreach work; you can find these [here](#).

It is also important to note that care-experienced young people are disproportionately from lower socioeconomic backgrounds. For more information on targeted support for this group, please refer to [this resource](#) and [this resource](#).

You are robustly targeting your activity with the schools and young people that will benefit most. However, your data indicates that you could go even further with this target to increase the percentage of schools and pupils you are reaching who would benefit most. We recommend you aim for 95% of schools you work with being non-selective state schools and seeing if you can widen the amount of cold spots you work with. See our [school data sheet](#) for more information on targeting.

Your organisation is using social mobility cold spots to target its outreach work, reaching young people in areas where the need for support is highest. As identified in research from the Social Mobility Commission (see [here](#)), the biggest gap in access to opportunity is no longer the 'North/South' divide, but that between London and the rest of the country.

It's therefore more important than ever that organisations continue to target your support at social mobility cold spots, using new approaches to reach young people across the country.

You indicated in your response that you conduct outreach work outside of England. To further this work, the [schools data sheet](#) includes which areas in Northern Ireland, Scotland and Wales are considered the least advantaged.

In this section we invited employers to share the extent to which their outreach activity took place online, in person and a mixture of online and in person. We are collating this evidence for aggregate analysis for the key findings report released in Autumn.

Across the Index submissions the average percentage of young people eligible for free school meals/pupil premium participating in the activities is as follows: School outreach e.g., visits to schools (50.5%), Mentoring (65.1%), Work experience (55.4%).

If you require guidance on the points covered in this section so far, please refer to the [data sheet](#) to support you with targeting schools and ascertaining the relative levels of disadvantage among your current targets.

Your organisation's submission indicates that there is no link between the outreach work you do and your recruitment pipeline.

While we acknowledge that your aims for outreach is beneficial in and of itself, the most effective way to improve social mobility is to provide the tools needed for direct opportunities to employment for young people from low socioeconomic backgrounds.

Organisations that perform well in this section demonstrate a direct and sustained link between their outreach and recruitment. This can include follow-up activities with a proportion of those participating, such as mentoring and events. It could also look like advertising opportunities within your organisation to participants, tracking and flagging the young people in the recruitment process and providing guidance and formal support throughout.

Across the Index submissions the average % of young people eligible for free school meals/pupil premium participating in the activities is as follows: School outreach e.g., visits to schools (50.5%), Mentoring (65.1%), Work experience (55.4%).

Your organisation did not provide any data on whether you are flagging students from your outreach work when they go on to apply for recruitment programmes, internships, or permanent roles. It is likely that the young people you encounter through your outreach are often from backgrounds which are under-represented in your workforce. We strongly encourage you to collect this data as part of evaluating the impact of your outreach work to assess whether that work is having the desired effect. If the number of applicants or successful applicants is low, it highlights a missed opportunity for you, given the resources you devote to your outreach activity.

It is valuable that you are tracking pupils' outcomes and that you have invested in Impacted, we look forward to hearing more about this in your submission next year.

It is good that you are covering travel costs and providing equipment so young people can take part in the experiences you are offering, particularly given the cost of living crisis. Our recent survey of young people from lower socioeconomic backgrounds aged 16-18 across the UK (Unheard Voices, 2023) showed that only 51% had access to a laptop or computer to support their study from home, while just 39% had access to reliable broadband. We also welcome that you are briefing staff on making online work experience accessible and inclusive for young people from all backgrounds since this will create a culture where young people from lower socioeconomic backgrounds feel a sense of belonging and encourages an atmosphere for their talents to thrive. We noted and welcomed the investment you are making in schools.

Decile: 4

Section 3: Routes into the Employer

Almost all Index participants (95.1%) completed Section 3 of the Index.

It is positive that your organisation is offering both apprenticeships and a graduate programme. If possible, we would encourage you to explore the possibility of introducing a school leaver scheme to further increase the range of possible entry routes into your organisation. These formal programmes can help provide clear, transparent, and accessible entry routes for applicants from all backgrounds.

For your reference, we have included the averages across the 2023 Index entrants below.

	2023 Index Reporting Period			
	% from a lower socioeconomic background (based on parental/guardian occupation data)	% eligible for free school meals/pupil premium	% attended a non-selective state school	% first generation in their family to attend university
Apprenticeship	37.5%	24.3%	69.7%	52.0%
School leaver	45.9%	29.0%	72.8%	52.5%
Graduate	23.3%	15.9%	51.1%	36.5%

You did not share data on the socioeconomic background of your apprentices or graduates.

It is positive that your organisation is offering higher and degree level apprenticeships, since these can provide a genuine route into the organisation that is comparable with graduate routes and allows for ongoing career progression. Across all Index organisations we can see a clear trend of employers offering more apprenticeships at higher and degree level (levels 4-7).

We recommend that the organisation starts to collect background data on its apprentices and graduates. This is important because while it is assumed that apprenticeships are naturally good for social mobility, research suggests that disadvantaged young people are substantially less likely than their better-off peers to start the best

apprenticeships, as evidenced in the Sutton Trust's report [The Recent Evolution of Apprenticeships](#).

You have indicated candidates on your apprenticeship programmes cannot rise to the same level in your organisation as a graduate within a comparable time frame. We know from research that those who enter on apprenticeships often do not subsequently have access to the same opportunities for progression once in the workforce. Thus, this needs to be explored in more detail to be addressed where possible.

We welcome that you are paying your apprentices the Living Wage or higher. In a cost of living crisis this is more important than ever. Across the Index, 54.4% of organisations now ring-fence some of their paid internships for those from a lower socioeconomic group. Your organisation does not offer internships, however, should this change we recommend ring-fencing some or all internships, using criteria such as whether a student has been eligible for free school meals at any time during secondary education or if the occupation of their parents/guardians would suggest that they are from a lower socioeconomic background.

We recognise that your graduate intake is small, however we'd encourage you to share whether your intake attended Russell Group universities or not. Attendance at a Russell Group university should not be used as a proxy for talent. A range of criteria should be used in your selection process as university attended is not a strong predictor for performance in the role.

When considering how you target universities, it is useful to refer to the national datasets that are available to explore the diversity of student populations by socioeconomic background. We have prepared a summary of this data in this [sheet](#).

[This blog](#) on the site of the Higher Education Policy Institute sets out the contribution of individual English higher education providers to social mobility.

Across the Index the average acceptance rate of Russell Group applicants is 65.7%. Your organisation did not provide data on the split of applications from Russell Group and non-Russell Group institutions. The ongoing dominance of the Russell Group universities is a theme in the Index data, and organisations are likely to be missing out on talent as a result, given that the Russell Group is largely a collective of 24 of some of the least diverse institutions in the UK (please refer to Appendix X for a breakdown of socioeconomic diversity for the Russell Group). Therefore, if you are not already

doing so, we would recommend that you collect this data for applications and acceptances. We welcome your additional comments in which you highlighted that you are measuring progression rates among apprentices and your decision to ring-fence some of these opportunities.

Decile: 5

Section 4: Attraction

139 out of 143 (97.2%) of employers filled out section 4 of the Index.

The recruitment section of your website is strong – some other good examples are provided below:

- [Auto Trader UK](#)
- [Browne Jacobson](#)
- [Linklaters](#)

Your organisation does have a graduate recruitment programme, but you did not visit any universities as part of the recruitment process. Some organisations have undertaken activity to access a wide pool of graduate talent, including:

- Working with third sector providers who can reach students at a range of universities across the country, and that ideally target their support at students from lower socioeconomic backgrounds.
- Running open days at your offices or online, where potential applicants can learn about the organisation and attend sessions giving support on CV writing, practising part of the application process and other recruitment related activity. If possible, run open days in different regional offices and virtually to ensure that students from across the country can attend.

Collaborating with university widening access teams, careers services and academic departments and faculties to reach a wide range of students who might not 'self-select' to attend your events. In this vein, university societies such as the [93% Club](#), would be another beneficial point of collaboration.

- Making sure that the wording used when advertising the graduate programme is not exclusionary (i.e., 'we are looking for the best students from top universities'), resulting in students self-selecting out of the process.

- Being clear about the recruitment process, and talking about any additional support the organisation offers, such as online Q&A sessions and practice online tests.

Many employers have also continued with attraction activities online over the last year to allow interaction with students at universities outside of the reach of their offices and some noted an increase in student attendance and engagement. However, the importance of direct interaction between event attendees and ambassadors of the organisation should be acknowledged and, if possible, replicated in virtual events. We recommend exploring the possibility of running both in person and virtual events moving forward. In this, it is important to ensure that in person events are not just focused on a small number of Russell Group universities with non-Russell Group universities being left out.

We noted your intention to restart your graduate scheme in 2024, we'd encourage you to think about partnering with organisations who can help you to attract those from a lower socioeconomic background. If an organisation wishes to do more to support social mobility, the main improvements to be made are usually around who applies to their roles and how people are judged during the selection process. We would recommend running an outreach programme designed to encourage applications and increase successful applications from those from lower socioeconomic backgrounds.

Decile: 1

Section 5: Recruitment and Selection

141 Index participants (98.6%) filled out section 5 of the Index.

Given the cost-of-living crisis, it is positive that you are offering flexible scheduling to meet an individual's needs. The cost burden poses a significant barrier to young people from lower socioeconomic backgrounds, as it may limit their ability to attend parts of the recruitment process.

It is positive that your organisation has low grade requirements for both your graduate and apprenticeship schemes. Your approach could be broadening the socioeconomic demographic of the applicant pool since it has been proven that people from lower socioeconomic backgrounds are less likely to graduate with upper-second-class degrees. We would recommend analysing your application data to see if this is the case. To go a step further, it would be worth considering whether including degree classifications as entry requirements for routes into your organisation are necessary, if not explicitly

linked to in-role success. Leading Index employers from last year, such as [Browne Jacobson](#), [PwC](#), [Santander](#) and [Severn Trent](#) have explored this and have removed the 2:1 grade requirement from their graduate schemes as a result.

However, your organisation is not currently measuring how many successful applicants met the minimum grade requirements. We would encourage you to collect this data to establish whether minimum requirements are being used as intended, or whether successful applicants are consistently exceeding them. If the latter is the case, your organisation should revise its rationale for having minimum requirements. Maintaining requirements when many of those hired exceed them provides false hope for applicants from lower socioeconomic backgrounds who have lower attainment and are more likely to be on the threshold of your requirements. Organisations that are collecting the data have found that the average A-Level grades possessed by successful candidates far exceeded the grades required for the role.

Currently, name, university and grades are all visible throughout your recruitment process. This may be having an adverse impact on the success rates of candidates from certain demographics. Other organisations have found that removing candidates' names, grades and university attended helps increase the diversity of applications received due to the reduced influence bias has on the initial sift. Your organisation should remove one or two of these in your next intake to see if it changes the demographic profile of successful applicants. While you are adopting a contextual approach where, an applicants' grades are considered in the context they were achieved, you indicated it was informal approach, we'd encourage you to ensure your using best practice to maximise the impact of this.

There is no evidence from any sector that the higher your A-Level grades, the better your performance in a job. Young people from lower socioeconomic backgrounds have

historically lower educational attainment at A-Level. The Government's [data](#) shows that this has been exasperated by the pandemic, with the attainment gap between those from lower socioeconomic backgrounds and their more privileged peers growing. If your minimum A-Level requirement is AAA/AAB, you restrict the number of applicants you can reach and limit the accessibility of your organisation to talent from certain demographics.

Awarding points for university attended is not a positive practice for social mobility as applicants from lower socioeconomic backgrounds are much less likely to attend university. When they do, they are more likely to attend non-Russell Group institutions which are scored less favourably or not at all by some organisations. If you have not already done so, removing this from the screening process, as it offers no benefits to job performance and quality of candidates, will help your efforts to nurture, harness and reward talent from all backgrounds.

Scoring 'work experience within your sector' during the application process reduces the number of applications your organisation will get from candidates from lower socioeconomic backgrounds. Gaining work experience is particularly difficult for students from lower socioeconomic backgrounds and is often predominantly available in London, which restricts access for those living outside of the city and in social mobility cold spots. This year, 26.6% of work experience among entrants went to the relatives of employees and clients, potentially giving them a natural advantage in your scoring system when they pass through the recruitment pipeline.

There can be a case for scoring extra-curricular activities, such as the activities mentioned in [this resource](#) by Target Jobs, but often the activities that are being scored by organisations are not available to socioeconomically disadvantaged young people.

Young people from lower socioeconomic backgrounds are less likely to participate in extra-curricular activities. They face more cost barriers than peers from more privileged backgrounds; that is, they are not able to afford membership fees or equipment needed and are more likely to prioritise paid work commitments. Evidence of extra-curricular activities being disproportionately accessed by those from higher socioeconomic backgrounds can be found in the Sutton Trust's report on extra-curricular participation at university and employment outcomes [here](#).

Additionally, with lost learning following the Covid-19 pandemic, our Unheard Voices research has found that 76% of young people felt that utilising recovery activities such as tutoring had come at the expense of extra-curricular activities.

We would urge your organisation to assess whether participation in extra-curricular activities has an impact on job performance. If it does, we would recommend prioritising activities that socioeconomically disadvantaged young people have better access to, such as paid work opportunities. Please refer to the [Sutton Trust report](#) for advice on which activities are more accessible. If it does not, we would recommend that you do not mark for this in the hiring process.

Across the Index submissions, 55.3% of employers flag applicants with lower socioeconomic background characteristics in the recruitment process.

Your submission indicates that you are currently not flagging candidates with certain socioeconomic background characteristics in the recruitment process. We encourage the introduction of a contextual recruitment system to support candidates from lower socioeconomic backgrounds through the application process.

A robust contextual recruitment system should include two to three flags on the same candidate as, for example, a child who is the first generation to be going to university may have parents/guardians who joined professions when a university education was not essential and is therefore in a household of a higher socioeconomic background. For this reason, only having one flag or data point is not usually a reliable indicator of a candidates' socioeconomic position and may be counterproductive to the outcome you are trying to achieve.

Using standardised questions in your recruitment process reduces the impact of 'unconscious' bias when candidates are assessed. This allows organisations to hire for potential rather than 'polish', which makes the hiring process fairer for candidates from lower socioeconomic backgrounds. We were pleased that you use standardised questions for this reason.

To go a step further, we would recommend that your organisation trials strengths-based recruitment. You can start small, with a pilot in one department's hiring process, then expand if the results show positive outcomes for candidates from lower socioeconomic backgrounds. More information on the benefits of strengths-based recruitment and how this can be implemented at your organisation can be found [here](#).

Prospects offers guidance on strength-based interviewing [here](#); and there is also information in SMF's guide for students [here](#).

It is positive that you offer training in accent bias, considering the research that highlights how accent can affect the ways in which people assess talent and performance in the workplace; see [here](#).

Exploring the link between performance in the recruitment process and subsequent performance in role helps organisations understand whether the selection process is adequately identifying those with the potential to perform. There is evidence that some approaches to hiring are more effective in this regard, compared with others. Please refer to the Social Mobility Commission's [best practice on Hiring](#). We also encourage you to collect feedback on the recruitment process from unsuccessful candidates and analyse this feedback by socioeconomic background to identify any stages that this group might find particularly difficult.

This year, 55.3% of Index entrants monitored their recruitment process to identify whether there are stages at which those from lower socioeconomic backgrounds are disproportionately eliminated. Your organisation is not currently doing this.

Monitoring the process ensures that your recruitment helps rather than hinders social mobility. Candidates from higher socioeconomic backgrounds are much more familiar with all stages of the recruitment process and likely have more confidence than those from lower socioeconomic backgrounds.

For example, some organisations think that online tests and video/phone interviews have helped level the playing field when recruiting. However, we know from our experience of running our Pipeline programme, a programme to support undergraduate students with their career pathway into graduate roles, that 43% of our cohort were rejected at online test stage, and 24% were rejected after having a video/phone interview. This indicates that these stages are difficult for applicants from lower socioeconomic backgrounds, so we would urge you to look at their process to see whether there's a similar trend.

Specificity about what you are looking for in the selection process, and a resolute focus on these attributes, is essential to hiring candidates who will perform best in the role. We know from the Bridge Group's guide for [tackling diversity in the arts](#) that changing an organisation's recruitment practices is the best way to attract and retain more socioeconomically diverse workforces. It removes 'unconscious' bias to focus on what is being assessed and how in the selection process.

We therefore encourage you to introduce this guidance, explicitly setting out what is essential for the job role and separating this from attributes that 'matter less or not at all' in the recruitment process, including specific reference to what 'matters less or not at all' in the recruitment process.

When recruiting, hiring managers often favour candidates who are similar to them or to people they've successfully hired in the past. Your organisation should consider implementing second look processes to counter this, whereby you look at the applicant, pause, and look again before rejecting them. Doing so slows you down long enough to examine your 'unconscious' bias.

We appreciate that organisations receive hundreds, or even thousands, of applications for one role, and that speed is important for being a top-performing recruiter. However, taking more time for application reviews will help you hire more diverse talent. It may also contribute to better attraction in future cycles.

[Here](#) is a useful online article setting out the value in taking a second look.

Decile: 2

Section 6: Data Collection

92.3% of employers filled out section 6 of the Index. 71.2% of employers across the Index are collecting three or four data points on new hires and 77.3% of employers across the Index are collecting three or four data points on current employees.

It is very positive that your organisation is collecting three data points for current employees. 94 Index employers are now collecting socioeconomic background data from their new hires, and 102 Index employers collect this data for their existing employees, using the following metrics:

- Parental/guardian occupation
- First generation in the family to attend university
- Eligibility for free school meals
- Type of school attended

We advise collecting three to four of these data points, using parental/guardian occupation at age 14 as the main metric. This is in line with the [Social Mobility](#)

[Commission's](#) recommendations on data collection. You can access the full social mobility scorecard [here](#).

Type of school attended is an important metric to collect for any organisation looking to improve social mobility, as the class composition of selective, non-selective and independent schools is nuanced. For example, when a student attends an independent school with the support of a bursary, they may still rely on significant financial contributions from parents/guardians as means-tested bursaries only provide a small proportion of the overall fee. This means that they are likely still from a higher socioeconomic background but appear to be from a lower socioeconomic background when their household income is

compared with peers at the same school.

53.8% of Index entrants are collecting at least one data point for unsuccessful applicants. We would encourage you to start collecting metrics from unsuccessful applications to analyse if those from a lower socioeconomic background are disproportionately eliminated at specific stages of the application process.

Employers are increasingly making diversity surveys compulsory to complete as they complete other annual regulatory information. Where this is the case, there is always the option for employees to stipulate 'I'd prefer not to say', which provides useful data on how comfortable employees are sharing data about their socioeconomic background. These findings can help develop internal advocacy strategies, such as social mobility networks, to encourage higher participation rates in future. It is therefore very encouraging that you are adopting this practice.

Index average completion rates:

2023 Index reporting period			
	% completion unsuccessful applicants	% completion new hires	% completion current employees
Type of school attended	79.0%	71.3%	68.5%
Type of school attended with 'state school' broken down into selective and non-selective	71.8%	71.9%	66.9%
Parental/guardian occupation	76.1%	68.1%	59.4%
Eligibility for free school meals/pupil premium	80.0%	71.1%	57.3%
Whether or not their parents/guardians went to university	80.3%	70.2%	65.2%
Their home postcode during their secondary education	79.5%	69.4%	46.4%

Your response rates:

2023 Index reporting period			
	% completion unsuccessful applicants	% completion new hires	% completion current employees
Type of school attended	No data provided	No data provided	8%
Type of school attended with 'state school' broken down into selective and non-selective	No data provided	No data provided	8%

Parental/guardian occupation	No data provided	No data provided	8%
Eligibility for free school meals/pupil premium	No data provided	No data provided	8%
Whether or not their parents/guardians went to university	No data provided	No data provided	8%
Their home postcode during their secondary education	No data provided	No data provided	No data provided

Across the Index, completion rates for socioeconomic background questions were mixed, with some close to 100% and some as low as 10%. High response rates are important because they help to ensure that the data collected provides accurate monitoring of the recruitment and retention of staff, and a better understanding of areas for action. The Social Mobility Commission recommend aiming for an overall response rate of at least 70% both for existing employees and new hires.

Strategies for increasing completion rates include: • Placing the questions in the context of other diversity monitoring and underlining that people can opt not to answer them.

- Providing staff with a detailed explanation of why the data is being collected and how the organisation plans to use it, including references to confidentiality, anonymity and GDPR.
- Senior leadership regularly emphasising the importance of collecting this data.
- Linking the collection of the data to the business case for being open to all talent, regardless of background.
- Using case studies to illustrate how other organisations have used data collection exercises to improve recruitment practices.

Index averages on socioeconomic background of workforce by seniority:

Seniority level (please use categories below)	% that are from a lower socioeconomic background (based on parental/guardian occupation)	% that attended a private school	% that attended a nonselective state school	% eligible that meals/pupil premium Russell	% of UK graduate population for free school graduates attended a	% that are Group university
UK board/management committee	16.33%	24.17%	43.86%	14.67%	66.84%	45.68%
Senior	19.19%	22.31%	40.46%	10.24%	65.07%	42.22%
Middle	30.17%	16.0%	43.15%	12.06%	56.59%	40.72%

Junior	54.89%	12.09%	46.68%	15.18%	52.09%	32.10%
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There is much research to highlight differences in socioeconomic diversity within organisations by occupational area. For example, research undertaken by the [Bridge Group with Access Accountancy](#) highlights significant differences in the socioeconomic diversity of the workforce in this sector who work in Tax, compared with Advisory. Additional research from the [Social Mobility Commission](#) on socioeconomic background within the Civil Service found that only 18% of Senior Civil Servants were from a low socioeconomic background, compared to 43% of those in junior roles.

We therefore encourage you to assess your workforce diversity data by occupational area to understand where to focus your efforts. Doing so will help you compare progress against other organisations in relevant occupational areas in the future.

We know from research from the [Institute for Fiscal Studies](#) that geography plays an important role in workplace access and progression, particularly among those who attended university. If graduates from lower socioeconomic backgrounds are less able or willing to move, inequalities within ‘elite’ professions are exacerbated. Patterns of graduate mobility also increase regional skills inequality as more of those looking to take up highly skilled roles move to access opportunities in London.

If you do not already capture data on the geographic mobility of your workforce, we would encourage you to do so to help with understanding about how this might affect access to and progression within your workforce. We summarise the analysis of this across the Index submissions in our key findings report so you can compare with other organisations.

It is positive that you are currently reviewing data against national benchmarks. It is important to understand how the socioeconomic background of your workforce compares to the national spread of the workforce population.

You indicated that your organisation is not currently publishing the data you collect on the socioeconomic background of the workforce. While we understand that the publication of this data has some organisational risk, we would encourage all employers to collect and publish detailed data on the socioeconomic make-up of their workforce to increase transparency and encourage a more open dialogue about social mobility.

We noted and welcomed the work of your EDI Directorate and your planned changes to your HR system.

Section 7: Progression, Culture and Experienced Hire

89.5% of employers filled out section 7 of the Index.

Understanding who is getting ahead in your organisation, and how, is vital to ensuring you have approaches that support social mobility. The number of employers collecting data on retention, progression and pay is still low, but gradually increasing. We encourage your organisation to use data collection as a starting point for your work in this area. [Let's Talk About Class](#) is a brilliant resource to help employers introduce the topic, with a glossary of terms available.

The Social Mobility Commission found that *“even when those from working-class backgrounds are similar to those from advantaged backgrounds in every way we can measure, they still face a 7% or £2242 a year pay gap in Britain’s professional and managerial occupations,”* so there is a strong case for collecting this data.

The Bridge Group’s research with financial services firms, analysing retention and progression is a good example, [here](#); the Group’s research in this area now includes [Law](#), [Real estate](#), and [Engineering](#) – with further sectors to come.

People from lower socioeconomic groups can suffer a ‘double disadvantage’ if they are also female or from an ethnic minority background. As you are already collecting data for the ethnic and gender diversity of your workforce, we would suggest the next step would be to look at how socioeconomic background intersects with these characteristics and the impact this has on your employees. Doing so is helpful for identifying target groups and developing schemes for existing employees, as well as outreach programmes for underrepresented groups as part of your attraction strategy. [The KPMG Social Progression Report](#) for 2022 is the most comprehensive set of public data on progression that also explores intersectionality, so you may wish to use this as an example.

Data shows that socioeconomic background is not evenly distributed by ethnicity. For example, among the year of students graduating in summer 2024, 38% of Black ethnicity are from a lower socioeconomic background, compared with 26% of those who identify as White. Recent studies have highlighted the compounding effect of socioeconomic background and multiple characteristics. For example, research on who gets to senior positions in the Civil Service found that there is no female equivalent of the heroic tale of the ‘working class boy done good’. Instead, women’s desire for upward mobility is often portrayed as a marker of pretence, pushiness, or social climbing. For more information, please see [here](#).

In a report published by KPMG in December 2022, the firm explored progression in the firm, and discovered a hierarchy of progression based on combinations of employee characteristics including socioeconomic background, ethnicity, and gender. It highlighted that characteristics combine to create disadvantage; and that the group that progressed the least quickly were white women from lower socioeconomic backgrounds. Please find this report [here](#).

You should examine the role of internal sponsors as part of your work in this area. Senior staff who provide sponsorship and mentoring can play a key role in the career progression of junior individuals, helping them to work on projects that are more highprofile than others and letting them know about opportunities that may not be publicly advertised. While junior colleagues will develop working relationships with senior ones naturally, it is increasingly understood that this can lead to those from more privileged backgrounds progressing at a faster rate because they have a shared social and cultural background with influential senior people in the organisation.

Your organisation should take steps to ensure that the opportunities to make connections are accessible for all employees. For example, corporate ski trips are often not accessible for those from lower socioeconomic backgrounds. This is for a multitude of reasons: they aren't as likely to have the equipment needed, they may not know how to ski, and they might not be able to afford the associated costs of the trip. As a result, they will often choose not to attend these events and miss out on the chance to interact with senior people in the organisation who can sponsor or mentor them.

You have not yet assessed whether those from lower socioeconomic backgrounds feel that the culture of the workplace is welcoming to them. While employers have generally taken a great deal of action to make the workplace more welcoming to people who may be female, people from ethnic minority backgrounds or those identifying as LGBTQI+, far less has been done for those who may be from a different class background. This means that at many organisations the Index targets there is a feeling that those from lower socioeconomic groups need to change how they speak, dress and act to fit in.

There is [evidence](#) to suggest that prioritising workplace belonging can lead to reduction in turnover, increase in performance and decrease in employee sick days. [Other research](#) explores how (regional) accent bias impacts belonging in the workplace, particularly among those from lower socioeconomic backgrounds and those from Northern parts of England.

We would therefore encourage your organisation begins to examine whether your workplace culture is seen as welcoming irrespective of people's socioeconomic background. A good tool to explore how those from lower socioeconomic backgrounds perceive the culture in your workplace is to participate in the Employee Survey of the Social Mobility Employer Index. Another handy guide can be found in CIPD's resource on [setting up staff networks](#).

This year, 75.8% of Index organisations invested in support for employees from lower socioeconomic backgrounds, we noted that your interventions were not specifically aimed at those from a lower socioeconomic background. Targeted interventions included buddying or mentoring, leadership programmes

to encourage progression and the creation of employee networks. Given the importance of targeted support for career progression, we would encourage you to explore initiatives like this alongside wider awareness training for everyone in your workforce.

We strongly recommend that you equip people across the organisation with awareness training on social mobility. The most effective approaches here explore why this aspect of diversity is important, how it is measured, and highlight some of the key evidence from the [Social Mobility Toolkit](#).

Many employers take a discussion-based approach in this training, drawing on case studies and practical examples. The focus is often around behaviours at work, and the important role that everyone plays in creating inclusive environments. It is often about engaging senior team members from higher socioeconomic backgrounds to consider social class and their role in creating dominant work cultures more actively as much as it is about offering support and advice to employees from lower socioeconomic backgrounds.

Team leaders and managers are key in shaping organisational cultures and the way that people experience the workplace. It is therefore important that leaders at your organisation are equipped with the awareness, approaches and time required to support the development of more inclusive cultures. We encourage you to offer this training to managers and monitor the participation and impact relating to this.

Furthermore, research indicates that manager accountability is important in advancing greater diversity and inclusion. This might include the retention of diverse staff being monitored, responses to staff surveys explored by socioeconomic background, and more generally including metrics on performance scorecards that relate to equality.

We therefore encourage you to ensure this is in place.

Most employers are not able to investigate progression rates by socioeconomic background, but we know it is vital to build an understanding about who is getting ahead, and how, in organisations. We encourage you to prioritise improving response rates to data collection and then consider this.

Disproportionate attrition and unequal progression among those from lower socioeconomic backgrounds is a challenge for many employers. It's important therefore that employers take active approaches to explore whether this applies in their organisation and take proportionate action that responds to this.

Decile: 8

Section 8: Advocacy

96.5% of employers filled out section 8 of the Index.

Social mobility is a blind spot in the boardroom. Not only is this worrying, but it also has real-world consequences: the proportion of board members coming from working-class backgrounds is just 15%. Research by [Bridge Group](#) shows that the ratio within financial services is even more skewed, with almost nine in ten senior roles held by those from higher socioeconomic backgrounds.

We are happy to see that accountability for your approach to social mobility sits at CEO level. As you know, board-level buy-in is essential when establishing new practices and driving cross-departmental change. We would encourage you to share best practice with others in your sector who are starting their journey to improve socioeconomic diversity at their organisation. We have seen huge success when sectors pull together, such as [Progress Together](#) that focuses on socioeconomic diversity at senior level across UK financial services.

We welcome the growth of organisations encouraging employees to share their stories of having come from a different background. Junior colleagues can often feel their senior colleagues are all from the same background given the degree of assimilation that takes place the longer people have been working for an organisation.

Many organisations run social mobility weeks and/or have a social mobility network for their employees. As part of this, you can invite the SMF in to deliver a lunch and learn session about social mobility, highlighting the scale of the issue and practical steps your organisation can take. In addition, or alternatively, we can host a screening of [Stay Down](#), our short film on the horrors of workplace classism. We have run six screenings since January 2023 with successful outcomes including a Partner at a private sector company noting that they had never spoke about their background at work and after seeing the film, felt this was something they could do freely. A screening may be something you consider as part of your organisation's internal advocacy.

Your organisation shows its investment in social mobility by engaging with your clients to raise awareness for the issue. Through the Taskforce you used your position to advocate for social mobility and encouraged meaningful change and impact among City firms.

Over half of Index organisations are encouraging their supply chains to take action on social mobility so it is positive that your organisation is doing this. Employers like yours have significant purchasing power and can create a positive chain reaction by asking suppliers about their approach to social mobility as part of your contracting process. It's important that employers such as yours play their part in ensuring that organisations with less expertise or resources are still taking action on this issue.

We welcome the work that you did that led to establishing [Progress Together](#). These types of initiatives are invaluable in helping to coordinate activity, share good practice and provide opportunities for organisations to benchmark against one another.

47.8% of Index organisations now set social mobility targets as part of their wider business strategy. It's encouraging that you have targets in place.

Based on the latest [good practice](#), we recommend setting targets (rather than quotas) since these are a helpful expression of success and typically the organisation's ambitions in this area. However, any such target should be well informed, so consider diversity within the talent pools you are drawing

from, the way in which such a target might differ based on the occupational area within your organisation and seniority, and how the target may change over time.

Employee Survey

Your organisation did not participate in the employee survey this year. The employee survey is a great way of finding out how your employees feel about the culture of your workplace, and the results can help you to target future improvements across your organisation.

Appendix 2 - Suggested Areas of Focus that the Corporation can explore

Area of assessment	Suggested actions
Work With Young People	<ul style="list-style-type: none"> • The City Corporation could increase the percentage of schools and pupils it is reaching to who would benefit most. The recommended target is 95% of non-selective schools. This will enable the City Corporation to widen the number of cold spots it works with. • Provide data on students from the City Corporation outreach work when they go on to apply for recruitment programmes, internships, or permanent roles.
Routes Into the Employer	<ul style="list-style-type: none"> • Explore introducing a school leaver scheme to further increase the range of possible entry routes into the City Corporation. • Apprentices need to have the same opportunities for progression as graduates once in the workforce. This needs to be explored in more detail and addressed where possible. • Attendance at a Russell Group university should not be used as a proxy for talent. Monitor whether the City Corporation's graduate intake attended Russell Group universities or not. • A range of criteria should be used in The City Corporation's selection process for graduates as university attended is not a strong predictor for performance in the role.
Attraction	<ul style="list-style-type: none"> • Pending confirmation of the funding in March, the new graduate programme is due to commence in September 2024. It is recommended that the Corporation consider partnering with organisations who can help attract those from a lower socio-economic background.
Recruitment and Selection	<ul style="list-style-type: none"> • Broadening the socioeconomic demographic of the applicant pool. • Consider whether including degree classifications as entry requirements are necessary, if not explicitly linked to in-role success.

	<ul style="list-style-type: none"> • Consider removing these criteria from the recruitment process: name, university, and grades to help increase the diversity of applications received. • Assess whether participation in extra-curricular activities has an impact on job performance. If it does, consider prioritising activities that socioeconomically disadvantaged young people have better access to, such as paid work opportunities. • Flag candidates' socioeconomic background in the recruitment process. • Introduce a contextual recruitment system to support candidates from lower socioeconomic backgrounds through the application process.
Data Collection	<ul style="list-style-type: none"> • Assess workforce diversity data by occupational area to understand where to focus efforts. • Collect and publish detailed data on the socioeconomic make-up of the workforce to increase transparency and encourage a more open dialogue about social mobility.
Progression, Culture and Experienced Hire	<ul style="list-style-type: none"> • Examine the role of internal sponsors and mentors in the areas of progression, culture, and experienced hire. • Provide awareness training on social mobility. • Provide training to ensure that leaders are equipped with the awareness, approaches and time required to support the development of more inclusive cultures and monitor the participation and impact relating to this. • Prioritise improving response rates to data collection on socio-economic diversity.
Advocacy	<ul style="list-style-type: none"> • Share best practice with others in the City Corporation's sector who are starting their journey to improve socioeconomic diversity at their organisation.
Employees Survey	<ul style="list-style-type: none"> • Introduction of Employees Survey

